

MULTIPHASE PROGRAM FOR MODERNIZATION OF SECONDARY EDUCATION – PHASE I

(DR-0112)

EXECUTIVE SUMMARY

Borrower:	Dominican Republic			
Executing agency:	Secretariat of State for Education (SEE)			
Amount and source:	Phase 1:		Phase 2:	
	IDB: (OC)	US\$52.0 million	IDB: (OC)	US\$81 million
	(IFF)	US\$8.4 million	Local:	US\$ 9 million
	Local:	US\$6.0 million	Total:	US\$90 million
	Total:	US\$58.0 million		
Terms and conditions:	Amortization period:	25 years		
	Grace period:	3.5 years plus 6 months for auditing		
	Disbursement period:	and evaluation funds		
	Interest rate:	variable		
	Inspection and supervision:	1% of loan total		
	Credit fee:	0.75%		
	Currency:	U.S. dollars from the Single Currency Facility		
Objectives:	The general objective of the program is to improve access to and increase the quality of secondary education. Its specific objectives are to: (i) reorganize supply and optimize infrastructure use; (ii) promote efficiency in school management; (iii) review secondary curricula for appropriate distribution and hourly course load; (iv) ensure the availability of educational inputs; (v) modernize human resource training policies in the sector; and (vi) reduce the risk of academic failure among youth.			
Description:	The program is defined as an operation to support the secondary education sector in two phases. In the first phase, for which financing is proposed in this document, there will be reform of the management model and teacher training system and access to secondary education will be improved by reducing the number of overage students and			

improving the use of infrastructure. Rapid growth in enrollment is expected at the end of the first phase. Thus, the objective of a possible second phase will be to maintain the policy reforms achieved in the first phase during a period of rapid growth.

The first phase will last three years and focus its efforts on reorganizing the secondary education system and correcting the under-investment that led to the proliferation of inadequate secondary schools. During this period, the aim is to set up a school-based management model allowing greater autonomy for pedagogical and administrative innovation. In addition, the teacher training system will be transformed from a system based on degrees to a model based on classroom performance.

A possible second phase would last four years and ensure that the quality improvements achieved during phase one would be maintained during a period of rapid growth in demand. The activities to be carried out during phase two would be a continuation of the activities in phase one and would represent the consolidation and expansion of the new secondary level model. The possibility that the Management of the Bank will consider proposing to the Board of Executive Directors that it approve a loan to finance the program's second phase will be subject to evaluation of the progress made in achieving the indicators listed in Annex III.

The Government and the Bank's sector strategy:

This program reflects the overall strategy of improving the country's education level and increased demand at the secondary level due to investments made at the primary level. The program was included in the Bank's programming paper (GN-1958) and is consistent with the Bank's strategy for primary and secondary education. The strategy of the Bank and that of the Dominican Republic with respect to secondary education coincide in the following critical areas: (i) focusing actions on increasing learning in mathematics, science and languages; and (ii) reforms in school management (paragraph 1.29).

Environmental and social review:

Based on experience in the two earlier projects for primary education, the works are not expected to have an adverse impact on the environment.¹ During preparation of the operation, the environmental regulations followed by the project coordination unit (PCU) were reviewed and it was concluded that the environmental feasibility of each project should be reviewed prior to the awarding of the contract for the respective works. In addition, the feasibility studies on the works will be included in the annual reviews of the program.

¹ Mid-term evaluation, loan 897/OC-DR, draft for discussion.

Moreover, the activities carried out at the primary level for environmental education and protection will be extended.

Benefits:

The benefits of the program include a reduction in the repeater rate, with the following consequences: (i) lower total cost (student years) required for graduation of a cohort; (ii) freeing-up of first year slots; (iii) increased number of graduates; (iv) reduced number of years of study needed to produce a graduate. Lastly, mention should be made of a reduction in the dropout rate.

Risks:

The program delegates a series of functions to the schools to provide incentives for pedagogical innovations and optimal use of educational inputs at the school level. Despite the fact that there is a high level of community participation in schools in the Dominican Republic, the schools have had only partial access to school-based management. To mitigate this risk, the program will strengthen the capability of School Boards through technical assistance and training (paragraph 4.19).

The introduction of incentives for pedagogical and administrative innovation in the schools will be carried out through a project competition mechanism. This competitive method may create risks of inequity in that the schools that are most in need of strengthening probably do not have equal ability to prepare and submit proposals. In order to ensure more equal opportunity, the program will provide specific training to School Boards in the preparation of proposals (paragraph 4.20).

Special contractual conditions:

Prior to the first disbursement, evidence must be submitted that: (i) the program PCU has been created; (ii) the program Operating Regulations have been implemented, and must stipulate, among other things, the procedures for: (a) managing the transfer of “education packages” to the School Boards or school committees; and (b) pedagogical projects; and (iii) a special bank account for the project has been opened. **Prior to the first disbursement for component I “access”**: evidence must be submitted that legislation has entered into force for the program to correct flows to be carried out in less than four years. **Prior to a school’s participation in subcomponent II, the “education package”**, evidence must be submitted that: (i) the program’s school committees have been created; and (ii) the respective School Board or school committee has been established, as applicable.

Poverty targeting:

This operation qualifies as a social equity enhancing project, as described in the key objectives for Bank activity set forth in the Report on the Eighth General Increase in the Resources of the Bank (document AB-1704).

The program focuses its investments on the supply of evening secondary education and marginal urban areas. The lower income quintiles are concentrated in these areas. The program therefore qualifies as a poverty-targeted investment (Table IV-5). The borrower will use the additional 10 percentage points in financing from the Bank (paragraph 2.33).

**Exceptions to
Bank policy:**

None.

Procurement:

International public bidding will be required for: (i) construction contracts for works valued at US\$1 million or more; the purchase of goods and related services valued at US\$250,000 or more; and (iii) the hiring of consulting services valued at more than US\$200,000. Goods, works and consulting services valued below the above-mentioned thresholds will be subject to the procedures mentioned in the procurement schedule, which will be reflected in Annex D to the loan contract (paragraph 3.21).